

Fill in this information to identify the case:

United States Bankruptcy Court for the:

Southern District of New York
(State)

Case number (if known) _____ Chapter _____

☐ Check if this is an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

12/15

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name 51 East 73rd St LLC

2. All other names debtor used in the last 8 years
Include any assumed names, trade names, and *doing business* as names

3. Debtor's federal Employer Identification Number (EIN) 27-1649009

4. Debtor's address

Principal place of business			Mailing address, if different from principal place of business		
<u>51 East 73rd St LLC</u>					
Number	Street		Number	Street	
_____			_____		
P.O. Box			_____		
_____			_____		
<u>New York</u>	<u>NY</u>	<u>10017</u>	City	State	ZIP Code
City	State	ZIP Code	_____		
_____			_____		
County			Location of principal assets, if different from principal place of business		
_____			Number Street		
_____			_____		
_____			City State ZIP Code		
_____			_____		

5. Debtor's website (URL) _____

6. Type of debtor

☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

☐ Partnership (excluding LLP)

☐ Other. Specify: _____

Debtor

51 East 73rd St LLC

Case number (if known)

Name

7. Describe debtor's business

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
- ☐ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- ☐ Railroad (as defined in 11 U.S.C. § 101(44))
- ☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
- ☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
- ☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
- ☒ None of the above

B. Check all that apply:

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
- ☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
- ☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See <http://www.uscourts.gov/four-digit-national-association-naics-codes>.

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- ☐ Chapter 7
- ☐ Chapter 9
- ☒ Chapter 11. Check all that apply:

- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,490,925 (amount subject to adjustment on 4/01/16 and every 3 years after that).
- ☐ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the *Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11* (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

☐ Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

☒ No

☐ Yes. District _____ When _____ Case number _____
MM / DD / YYYY

District _____ When _____ Case number _____
MM / DD / YYYY

If more than 2 cases, attach a separate list.

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

☒ No

☐ Yes. Debtor _____ Relationship _____
District _____ When _____
Case number, if known _____
MM / DD / YYYY

List all cases. If more than 1, attach a separate list.

Debtor

51 East 73rd St LLC

Case number (if known)

Name

11. Why is the case filed in this district?

Check all that apply:

- ☐ Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- ☒ A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

- ☒ No
- ☐ Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

- ☐ It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.
What is the hazard? _____
- ☐ It needs to be physically secured or protected from the weather.
- ☐ It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).
- ☐ Other _____

Where is the property?

Number

Street

City

State

ZIP Code

Is the property insured?

- ☐ No
- ☐ Yes. Insurance agency _____

Contact name

Phone

Statistical and administrative information

13. Debtor's estimation of available funds

Check one:

- ☒ Funds will be available for distribution to unsecured creditors.
- ☐ After any administrative expenses are paid, no funds will be available for distribution to unsecured creditors.

14. Estimated number of creditors

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000 | <input type="checkbox"/> 25,001-50,000 |
| <input type="checkbox"/> 50-99 | <input type="checkbox"/> 5,001-10,000 | <input type="checkbox"/> 50,001-100,000 |
| <input type="checkbox"/> 100-199 | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999 | | |

15. Estimated assets

- | | | |
|--|---|--|
| <input type="checkbox"/> \$0-\$50,000 | <input type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input checked="" type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Debtor 51 East 73rd St LLC Case number (if known) _____

Name

16. Estimated liabilities

- | | | |
|--|---|--|
| <input type="checkbox"/> \$0-\$50,000 | <input type="checkbox"/> \$1,000,001-\$10 million | <input type="checkbox"/> \$500,000,001-\$1 billion |
| <input type="checkbox"/> \$50,001-\$100,000 | <input checked="" type="checkbox"/> \$10,000,001-\$50 million | <input type="checkbox"/> \$1,000,000,001-\$10 billion |
| <input type="checkbox"/> \$100,001-\$500,000 | <input type="checkbox"/> \$50,000,001-\$100 million | <input type="checkbox"/> \$10,000,000,001-\$50 billion |
| <input type="checkbox"/> \$500,001-\$1 million | <input type="checkbox"/> \$100,000,001-\$500 million | <input type="checkbox"/> More than \$50 billion |

Request for Relief, Declaration, and Signatures

WARNING — Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

17. Declaration and signature of authorized representative of debtor

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 3 3 2020
MM / DD / YYYY

x

Signature of authorized representative of debtor

Monique Ender Silberman

Printed name

Title Manager

18. Signature of attorney

x

Signature of attorney for debtor

Date 3 3 2020
MM / DD / YYYY

Leo Fox, Esq.

Printed name

Firm name

630 Third Avenue - 18th Floor

Number Street

New York

City

New York 10017

State ZIP Code

212-867-9595

Contact phone

leo@leofoxlaw.com

Email address

LF1947

Bar number

New York

State

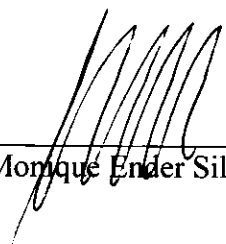
CORPORATE RESOLUTION

The undersigned, Monique Ender Silberman, is the authorized Manager of 51 East 73rd St LLC (the "Company") and is authorized to make this certification. The undersigned certifies that on the date noted below, a Special Meeting of the Company was regularly and duly held at 630 Third Avenue, 18th Floor, New York, New York 10017.

At said Meeting, a resolution was passed, as follows:

RESOLVED, that the Manager be and he hereby is individually authorized and directed to file on behalf of the Company an application under Chapter 11 of the Bankruptcy Code and to take all steps necessary and proper for the filing of said application, including the retention of Leo Fox, Esq. located at 630 Third Avenue, 18th Floor, New York, NY 10017, as attorney for that purpose.

Dated: New York, New York
March 3, 2020



Monique Ender Silberman

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
IN RE:

Case No.:
Chapter 11

51 EAST 73RD ST LLC,

Debtor.
-----X

DECLARATION PURSUANT TO LOCAL RULE 1007

STATE OF NEW YORK)

ss.:

COUNTY OF NEW YORK)

MONIQUE ENDER SILBERMAN, declares under penalty of perjury:

1. I, Monique Ender Silberman, am the Manager of the above Debtor a New York limited liability company located at 51 East 73rd Street, New York, New York. I am the daughter of Simone Ender who is the owner of the holding company that holds 100% membership interest in the Debtor.

2. This affidavit is submitted by the Debtor-in-Possession, pursuant to the Local Rules of this Court, in connection with filing of a Chapter 11 case by the above Debtor.

3. The Debtor is not a small business debtor within the meaning of the Bankruptcy Code.

4. The Debtor is in the business of owning and operating certain real estate located at 51-53 East 73rd Street, New York, New York, a building containing 18 rental units consisting of four (4) doctor's units and 16 residential units. However, the building is presently vacant and has been vacant since February 2020.

5. Expected receipts and disbursements for the next 30 days is attached as Exhibit A

summary of the debtor's assets and liabilities are attached as Exhibit B.

6. The events leading up to this Chapter 11 filing arise from the following. On July 18, 2015, Paul Ender, the motivating person behind the Debtor and its commercial activities, passed away. His widow, Simone Ender, continued in his place and attempted to rehabilitate and operate the building. The original intention was to undertake to conduct an entire rehabilitation of the building to take advantage of its desirable location.

7. Prior to his death, Paul Ender had borrowed consolidated and extended mortgage loan approximating \$15,000,000 at a fairly high interest rate. This put a stress on the operations of the building. Thereafter, there was a need to refinance the earlier loan with another loan bearing significant interest rates. The pressure on the Debtor's operations continued because the loans were accruing interest at significant rates beyond the means of the Debtor's rental income stream.

8. Efforts were made to obtain a conventional mortgage loan with conventional interest rates. The Debtor then refinanced the loan with a mortgage banker who promised her a conventional loan would be issued within three (3) months. The Debtor self-managed the building during this time period. During the planning stages for the rehabilitation, the Debtor conducted a program of short-term rentals at times averaging \$8,000 per month to assist in formulating the Debtor's rehabilitation plan. By August 2017, the Debtor made a minor default consisting of a failure to pay a later charge for a July 2017 monthly interest and an August 2017 interest payment. As part of the efforts to renegotiate, the mortgagee demanded that the Debtor's principals cross-collateralize and provide for additional collateral for the loan. The Debtor rejected that proposal because the Debtor principals were fully aware that the property value

provided more than sufficient collateral for the loan.

9. By Verified Complaint (the “Complaint”) dated February 7, 2018 73rd Park LLC commenced a Foreclosure Action against the Debtor in the New York State Supreme Court – New York County. The Complaint alleged that its predecessor in interest, CREIF 113 LLC, was the holder of an Amended and Restated Promissory Note dated December 16, 2016 in the amount of \$15,250,000, secured by a consolidation extension and modification of mortgage. The Note accrued interest at 9% per annum and upon default at 24% per annum.

10. On or about July 7, 2018, the New York State Supreme Court granted the appointment of a temporary Receiver, John G. Hall. That Receiver was never able to serve. Pursuant to an *ex parte* Order of the New York State Supreme Court dated November 5, 2018, Bruce N. Lederman was appointed Successor Receiver over the subject real property. On October 24, 2019, the Receiver sought to obtain an Order of Contempt against Simone Ender and myself. On December 12, 2019, the Receiver obtained an Order of Contempt against myself and my mother for the alleged failures to deliver property and information to the Receiver, and against certain occupants of the premises for failure to attorn or to surrender possession to the Receiver. In the meantime, the Receiver vacated the building and the building stands vacant to this day. Despite the vacancies, the Receiver has failed to rent any of the units.

11. The Debtor did not have counsel at the time of the original Motion by Order to Show Cause made by Bruce Lederman. Prior to the Motion being made, the law firm of Meister Selig resigned as the Debtor’s attorneys.

12. In fact, nearly all of the complaints asserted by the Receiver are denied by the Debtor’s principals. The Debtor proceeded to deliver the rental information and generally complied with the other requests made by the Receiver. The Debtor operated in good faith with

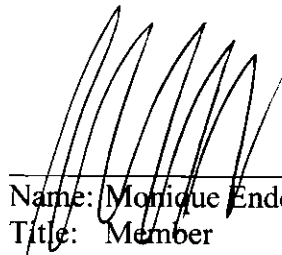
its tenants including its short-term tenants and it was the Receiver's actions that resulted in the extreme dislocations and the animosity that resulted in the litigation in the New York State Supreme Court. It was the Receiver and not the Debtor that failed to abide by proper management functions to rent and responsibly maintain the Debtor's property. The Receiver thus, acting recklessly, threatened tenants, broke locks and did other damage to the property in order to claim that the Debtor's principals had undertaken this activity. These facts are substantiated, for example, by a Police Report where the Receiver was found to have violated his Landlord obligations in trying to evict a tenant out of the space.

13. Any of the Debtor's books and records are being maintained by the Receiver who has been in control of the building since November 2018.

14. The Debtor's principals have not received any payments or compensation from the Debtor for at least two (2) years.

15. The Debtor believes that it will be able propose a viable and confirmable Plan of Reorganization, to deal with the creditors.

Duly declared under penalty of perjury:
March 3, 2020



Name: Monique Ender Silberman
Title: Member

EXHIBIT A

Income 30 days

Income-Receipts	Income
Net Expected Monthly Receipts (After payments to sub-contractors)	
Total	\$0

Expenses 30 days

Expenses	Amount
Rent	\$0
Total	\$0

EXHIBIT B

ASSETS AND LIABILITIES

ASSETS

Real Property 51 East 73 rd Street New York, New York	Undetermined In excess of the Mortgage Debt
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LIABILITIES

Secured Debt Mortgage	Approximately \$24,000,000 (Disputed)
Unsecured Claims	\$126,000